

JANUARY 8, 2021

ADDENDUM NO. 4
FOR
REQUEST FOR PROPOSAL REVISIONS FOR CITY OF CHICAGO MUNICIPAL
ELECTRICITY SUPPLY INCLUDING RENEWABLE GENERATION
SPECIFICATION NO. 1209143

**RESPONDENTS MUST ACKNOWLEDGE RECEIPT OF THIS ADDENDUM IN THE COVER LETTER
OF THEIR SUBMITTAL**

REVISIONS TO THE DOCUMENTS:

The following changes are hereby made to the RFP:

- 1) Section 1.4. Procurement Timeline. The timeline is hereby replaced in its entirety with the following:

RFP Schedule Description	Date*
RFP Issued	September 4, 2020
Pre-Proposal Webinar	September 10, 2020
Request for Clarification Deadline	September 21, 2020
City Responses to Requests for Clarification	October 6, 13 & 19, 2020
Proposal Due Date	November 13, 2020
Respondent Interviews	Early December, 2020
Vendor Responses to Requests for Additional Information	December 18, 2020
Issuance of Request for Proposal Revision	January 8, 2021
Proposal Revision Submittal Deadline	January 18, 2021
Selection of Selected Respondent	January 29, 2021
Contract Awarded	February 12, 2021
*All RFP schedule descriptions and dates are tentative and subject to change.	

- 2) Form 5, Parts A and B have been modified and an additional Form 5, Parts A, B, and C (Scenario B) have been issued with this Addendum 4. The modifications and additional scenario are explained herein.
- 3) Form 6 has been modified and issued with this Addendum 4. Modifications are described herein.
- 4) In accordance with the revised Timeline above, the Proposal Revision (new Form 5 and Form 6) submission deadline is January 18, 2021 at 5 pm CT.

Price Refresh, Form 5 Modification, and Addition of Optional Scenario B:

Price Refresh:

In the City's Answer to Question 34 I) from RFP Addendum No. 3, the City indicated that it would provide for Respondents to submit "refreshed" prices at a date to be determined after the deadline for Proposal submission. The City is now establishing January 15, 2021 at 3 pm CST as the deadline for Proposers to submit any changes to their pricing. By providing this Proposal Revision opportunity, Proposers have the ability to modify their prices to reflect any changed circumstances since Proposal submission. Such circumstances might include but are not limited to: changes in the forward market price for energy in the ComEd territory, changes in the expected cost to finance New Build Renewable Generation including the impacts, if any, brought on by the recent extensions to the federal solar and wind production tax credit (PTC) and federal investment tax credit (ITC) included in the Consolidated Appropriations Act, 2021 signed into law on December 27, 2020, or any other factor.

As a reminder, the City requires that prices submitted for this Proposal Revision be held firm until Contract Award with the Selected Respondent. To the extent Respondent(s) do not submit modified prices as described herein, the City will consider those Respondents' prices submitted in their Proposals, due on November 13, 2020, to be final for the City's Proposal evaluation.

Form 5 Modification:

The City has made one modification to the product structure described and requested on Form 5. The modification consists of requesting that Respondents consider Capacity Charges, Transmission Service Charges, and transmission and distribution losses as "Pass Through Charges" for the purpose of completing Form 5, Parts A and B, and to therefore exclude those price components from the Fixed Price for those price pages. Those price components were already treated as Pass Through Charges for Form 5, Part C and that treatment does not change for the price refresh for Part C. Corresponding changes to the RFP and ESA have been made and are being issued with this Addendum 4. Form 5, Parts A, B and C have been labelled "(Scenario A)" to distinguish them from Form 5, Parts A, B, and C "(Scenario B)" described below. The City is re-issuing Form 5, Part D "Supply Plan Details" and the City asks that this page be completed as well. If a Respondent has made any change to their Supply Plan previously submitted to the City as part of their proposal, those changes must also be reflected on this page.

Scenario B (Optional):

In order for the City to gain greater insight into the tradeoff between price and the public policy benefits of New Build Renewable Generation in excess of the minimum levels contained in the RFP, the City requests that Respondents complete Form 5, Parts A, B, and C for a Scenario B. Completion of these additional Forms is not required for evaluation and potential selection, but through their completion and submission, the City hopes to gain greater insight during its evaluation process. The City does not expect there to be any difference between Form 5, Page D in Scenario A and Scenario B, and therefore no additional Page D has been provided for Scenario B.

For Scenario B, to the extent that Respondent's Proposal involves retiring PJM-conforming Renewable Energy Certificates (REC's) on the City's behalf that exceed the minimum levels of New Build Renewable Generation by year specified in the RFP, the City asks whether Respondent would consider swapping out those incremental REC's for national Green-e® REC's. If so, the City is interested in learning any resulting change to the ESA prices and PPA prices from your firm's Proposal, and asks Respondents to complete Form 5, Parts A, B, and C (Scenario B) accordingly.

To repeat, the swap would only be for PJM-conforming REC's in excess of the New Build minimums by year from the RFP. Those levels, as well as the level of total Minimum Qualifying Renewable Generation, are stated in the table below.

<u>Minimum New Build By Date</u>	<u>Minimum Qualifying Renewable Gen. %</u>	<u>Renewable Gen. %</u>
January 1, 2022	0%	0%
January 1, 2023	0%	20%
January 1, 2024	35%	70%
January 1, 2025	50%	100%
January 1, 2026	50%	100%
January 1, 2027	50%	100%

The City fully understands that the statements the City could make about the form by which it is

meeting its renewable goals would change under Scenario B versus Scenario A. Nonetheless, the City believes the information provided by this scenario will assist the City in understanding the tradeoff between cost and “going beyond” the minimum levels of required New Build Renewable Generation. In adding Scenario B through this Addendum and Proposal Revision, however, the City is not stating that Scenario B is its preferred method of achieving the RFP’s objectives.

WHILE SECTION 4.4 OF THE RFP MAKES SUBMISSION OF A PROPOSAL REVISION OPTIONAL, THE CITY STRONGLY ENCOURAGES RESPONDENTS TO SUBMIT A NEW FORM 5. IF DOING SO, RESPONDENTS SHOULD COMPLETE THE FORM IN ITS ENTIRETY, EVEN WHERE INFORMATION HAS NOT CHANGED VERSUS THE RESPONDENTS’ PREVIOUS PROPOSAL SUBMISSION. THIS WILL ENSURE ACCURATE EVALUATION.

Form 6 Revisions:

The City has provided clarifying detail for items listed in Form 6, and requests that Respondents update previous Proposal Form 6’s to reflect the level of detail indicated. Further, Form 6 has been modified to request narrative descriptions of Respondents’ approaches for involving Chicago contractors and Chicago goods providers in the supply chain for New Build Renewable Generation projects.

WHILE SECTION 4.4 OF THE RFP MAKES SUBMISSION OF A PROPOSAL REVISION OPTIONAL, THE CITY STRONGLY ENCOURAGES RESPONDENTS TO SUBMIT A NEW FORM 6. IF DOING SO, RESPONDENTS SHOULD COMPLETE THE FORM IN ITS ENTIRETY, EVEN WHERE INFORMATION HAS NOT CHANGED VERSUS THE RESPONDENTS’ PREVIOUS PROPOSAL SUBMISSION. THIS WILL ENSURE ACCURATE EVALUATION.

The following changes are hereby made to the ESA:

- 1) Section 1. Definitions. “Block Pricing Schedule”. The first reference to “Exhibit B” is hereby changed to “Exhibit C”.
- 2) Section 1. Definitions. “Fixed Price”. The phrase “All-inclusive” is hereby removed from the first sentence. In addition, the phrase “, unless stated otherwise in a Fixed Pricing Schedule.” is hereby added to the end of the last sentence of the definition.
- 3) Section 1. Definitions. The following definition is hereby added to this section. “Transmission Service Charge”: Means the charge for Transmission Costs.” This term had been inadvertently removed by Addendum No. 2.

Any and all addenda must be acknowledged by the vendor in their Cover Letter by Addendum number. Failure on behalf of the vendor may be cause for rejection of submittal.

ALL REVISIONS INSCRIBED HEREIN WILL BE INCORPORATED INTO THE SPECIFICATION PER ADDENDUM NO. 4

END OF ADDENDUM NO. 4

**CITY OF CHICAGO
DEPARTMENT OF ASSETS, INFORMATION & SERVICES**

**DAVID J. REYNOLDS,
COMMISSIONER**